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310-855-3000

**UNITED STATES DISTRICT COURT
CENTRAL DISTRICT OF CALIFORNIA**

GIDEON AKANDE, derivatively on
behalf of XPONENTIAL FITNESS
INC.,

Plaintiff,

v.

ANTHONY GEISLER, JOHN
MELOUN, JAIR CLARKE, MARK
GRABOWSKI, CHELSEA A.
GRAYSON, and BRENDA MORRIS,

Defendants,

and

XPONENTIAL FITNESS INC.,

Nominal Defendant.

CASE NO. 2:24-cv-01928-JWH-KES

Hon. John W. Holcomb
Courtroom 9D, Santa Ana

**ORDER REGARDING JOINT
STIPULATION TO STAY
PROCEEDINGS**

Action Filed: March 10, 2024

1 Upon the Joint Stipulation proposed by plaintiff Gideon Akande (“Plaintiff”)
2 and defendants Anthony Geisler, John Meloun, Jair Clarke, Mark Grabowski, Chelsea
3 A. Grayson, and Brenda Morris (together, the “Individual Defendants”) and nominal
4 defendant Xponential Fitness, Inc. (together with the Individual Defendants,
5 “Defendants”)¹ with respect to the complaint filed by Plaintiff on March 10, 2024 (the
6 “Shareholder Derivative Complaint”) in the above-captioned action (the “Shareholder
7 Derivative Action”), and with good cause being shown, the Court hereby **ORDERS**
8 as follows:

9 1. All proceedings and deadlines in the Shareholder Derivative Action,
10 including any obligation to answer, move against, or otherwise respond to the
11 Shareholder Derivative Complaint, are hereby **STAYED** pending the final resolution
12 of *City of Taylor General Employees Retirement System v. Xponential Fitness, Inc.*,
13 Case No. 8:24-cv-00285-JWH-KES (the “Securities Litigation”), or an Order by the
14 Court. Any party may move at any time to modify or vacate the stay, for good cause
15 shown.

16 2. Defendants are **DIRECTED** promptly to notify Plaintiff of any
17 additional related derivative actions or threatened derivative actions (Section 220
18 demands or litigation demands) of which Defendants become aware during the
19 pendency of the stay.

20 3. While the Shareholder Derivative Action is stayed, Defendants are
21 **DIRECTED** promptly to notify Plaintiff if a related derivative action is not stayed for
22 a similar or longer duration.

23 4. The Parties are **DIRECTED** to meet and confer regarding the stipulated
24 consolidation of any shareholder derivative action filed in, removed to, or transferred
25 to this Court that any Party determines is related to the Shareholder Derivative Action.
26 Plaintiff may make a motion to consolidate and/or appoint lead counsel for plaintiff
27 during the pendency of the stay of the Shareholder Derivative Action.
28

¹ “Plaintiff” and “Defendants” together are referred to herein as the “Parties.”

1 5. While the Shareholder Derivative Action is stayed, Defendants are
2 **DIRECTED** to provide Plaintiff with reasonable advance notice of and to invite
3 Plaintiff to, and to include Plaintiff in, any mediation and any formal settlement talks
4 between the parties in the Securities Litigation, provided that, in the event that Lead
5 Plaintiffs in the Securities Litigation object to including Plaintiff, Defendants shall
6 mediate with Plaintiff at or about the same time.

7 6. While the Shareholder Derivative Action is stayed, Defendants are
8 **DIRECTED** to provide Plaintiff with reasonable advance notice of and to invite
9 Plaintiff to any mediation and any formal settlement talks between the parties in any
10 related derivative action or related threatened derivative action.

11 7. While the Shareholder Derivative Action is stayed, Defendants are
12 **DIRECTED** promptly to produce to Plaintiff any documents produced in any related
13 derivative action or related threatened derivative action (including to a shareholder
14 who made a Section 220 books and records demand), subject to a reasonable and
15 mutually-agreed confidentiality agreement or protective order that permits Plaintiff to
16 use the discovery in the Shareholder Derivative Action.

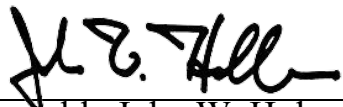
17 8. The Parties are **DIRECTED** to file on or before July 5, 2024, and every
18 90 days thereafter, a Joint Status Report that advises the Court regarding the status of
19 the Securities Litigation, any related derivative action, and any related threatened
20 derivative action of which Defendants become aware.

21 9. Nothing herein shall be deemed to constitute a waiver of any rights,
22 defenses, objections, or arguments, except as expressly provided herein.

23 10. The Clerk is **DIRECTED** to close this case administratively.

24 **IT IS SO ORDERED.**

25
26 Dated: April 3, 2024



Honorable John W. Holcomb
United States District Judge